

boom. This dredging is a purely colonial industry so far, but English promoters are already here and when they obtain a full hand the colonial investor will be shut out; while his English brother goes through the process of being swindled by overloading again.

Our richest claim so far is the noted Hartley & Riley, in Otago. This dredge began operations in December, '98, with a share capital paid up of £6,500 of £1 each, and up to date has paid in dividends £8, 17, 6 per share. Other dredges are likely to catch up to her in dividends, but it is very unlikely that the record for the largest weekly output held by her will be beaten.

COMPANY MEETINGS AND REPORTS.

THE CARIBOO-M'KINNEY.

THE third annual meeting of the Cariboo-McKinney Mining & Milling Co., Ltd., was held in Toronto on February the 4th. The annual report of the directors and the report of the managing director were read as follows:—

At the beginning of the year, Mr. Geo. B. McAulay, managing director, submitted to the directors the necessity for some extraordinary development of the mine with a view to locating the ore bodies at various points, and as the financial condition of the company did not then warrant the expenditure contemplated, in order to avoid the incurring of indebtedness, Mr. McAulay very generously donated to the company the sum of \$30,000 to be expended solely in the special development above referred to.

The operations were carried out as suggested by Mr. McAulay, the result being the locating of a continuous ore body 320 feet in length, of an average width of four feet, on the 3rd and 4th levels west on the Cariboo claim, and also the locating of the vein at a point 45 feet below the 5th level east on the Okanagan claim.

It appearing to your directors that it would be desirable to have an independent examination and report upon the mine for the information of the shareholders at this meeting, Mr. Harry McMaster, M.E., was early in December employed for this purpose. Mr. McMaster spent about two weeks in examining the property, and his report will be read to you, and will, I trust, be found satisfactory. It will be noted that Mr. McMaster finds that there is now sufficient ore in sight in the mine to keep the mill running for about two-and-a-half years.

It appears from Mr. McMaster's report, as well as from the report of the managing director, that there are still difficulties to the operation of the mine owing to the many faults in the vein at the east end, where the highest grade ore has heretofore been found, and that the future of the property at this point depends on getting below these disturbances.

At the last annual meeting of the shareholders it was announced that there would be a suspension of dividends for a period, and while there has been no dividend declared during the last calendar year, your directors are pleased to state that they have found themselves able to declare a dividend of one and one-half per cent. out of the surplus earnings of the property, and leave a reserve sufficient to meet contingencies. While your directors are unable at the present time to see their way to the resumption of regular dividends, the surplus earnings of the property, after a provision for a proper reserve, will, from time to time, be divided among the shareholders.

ROBERT JAFFRAY,
President.

STATEMENT OF ACCOUNT, DECEMBER 31, 1901.

Capital stock	\$1,250,000 00	
Bullion	974,537 00	
Rent	19,166 30	
G. B. McAulay, donation for development purposes ..	30,000 00	
Profit and loss	3,148 02	
Mine and water rights	\$1,717,835 65	
Mill plant	25,771 73	
Hoisting and compressor plant	32,665 67	
Buildings	2,680 48	
Office furniture	242 55	
Mine and mill supply, labour, salaries, expense, etc.	529,043 26	
Development, 1901	33,950 00	
Mineral tax	6,961 10	
Dividends	459,337 52	
Cash in bank	59,363 36	
	\$2,267,851 32	\$2,267,851 32

Receipts and disbursements for year ending 31st December, 1901.

RECEIPTS.		
Cash in bank 1st January, 1901 ..	\$ 15,693 15	
Bullion	137,024 79	
Rent	1,169 00	
Lots sold	259 87	
Donation from G. B. McAulay for development purposes ..	30,000 00	
	\$184,146 81	
DISBURSEMENTS.		
Capital account—		
Development	\$33,950 00	
Mine and water rights	40 75	
Mill plant	60 77	
Hoisting and compressor plant ..	2,441 45	
Buildings	53 30	
	\$36,546 27	
Operating account—		
Hoisting and compressor plant and mining	\$60,035 85	
Mill plant and milling	19,966 50	
Mineral tax	2,070 77	
Expense	3,284 06	
Salaries	2,880 00	
	\$124,783 45	
Cash in bank Dec 31, 1901.	59,363 36	
	\$184,146 81	

Profit and loss account for year ending 31st December, 1901.

REVENUE.		
Balance from 1900	\$ 3,148 02	
Bullion	137,024 79	
Rent	1,169 00	
	\$141,341 81	
EXPENDITURE.		
Hoisting and compressor plant and mining	\$93,985 85	
Deduct development acct.	33,950 00	
	\$60,035 85	
Mill plant and milling	19,966 50	
Mineral tax	2,070 77	
Expense	3,284 06	
Salaries	2,880 00	
	\$88,237 18	
Balance forward to 1902	53,104 63	
	\$141,341 81	

Verified Clarkson & Cross, auditors.
Toronto, 1st February, 1902.

The Managing Director submitted the following statement of operations during 1901:—

There has been mined and milled during the year 16,862 tons of ore, yielding 9,439 ounces of gold bullion and 428 tons of concentrates. Of this ore about one-half was taken from the Okanagan and Saw Tooth claims, and about one-half from that portion of the Cariboo claim known as the West ore chute.

In my last annual report reference was made to the breaks or faults in the vein on the lower levels. Early in the last year it was found that owing to these breaks